

### IRS MIGRATION FLOWS DATA

The data are taken from the Master File of Individual Income Tax returns filed with the IRS. The migration flow data were developed by matching the social security number of the primary taxpayer in one year with that of the previous year. The numbers shown here are the exemptions claimed on a tax return, which represent actual numbers of people, i.e., they do not include the extra exemptions claimed for those who are blind or over 65.

There are certain limitations to the data in their representation of the actual numbers of people who have moved from one state to another. First of all, they exclude persons who do not file tax returns and who are not represented by exemptions on filed returns. The overall population coverage rate nationally is estimated to be 88%. Second, only returns where the social security number matched for both years were included in the tables. Some reasons for such non-matches include errors in the social security numbers, people marrying between filings and becoming the secondary entry on the tax return, and deaths.

A third limitation is that many income tax returns are filed with an address other than the filer's residence. These alternate addresses could be that of a tax preparer or accountant, a financial institution (directed to receive a tax refund), a business or college address, or a post office box. Since 1980, the Census Bureau has attempted to adjust the data so as to overcome this address/residency problem. This adjustment has been based on a series (four) of questions regarding residence that were included on the 1980 tax returns. On the basis of the responses to these questions, a "Probability Coding Guide" was developed which assigned a place code -- in effect a place of residence - to each return.

In the context of these limitations, the data represent low approximations of actual flows. Nonetheless, because of the scope of the information, they provide a sense of the relative flows from states-to-states and how these change over time. Thus, they serve as a very valuable source of information for understanding population movements during these periods.

As data on state-to-state flows are developed every year by the IRS and the Census Bureau, these data are updated annually as they become available. In addition, data have been developed on county-to-county migration flows. Questions regarding the accuracy or availability of the data may be directed to the IRS, P.O.Box 2608, Washington,D.C. 20013-2608,phone (202)874-0410.